



NEW 13 YEAR ABSOLUTE NNN LEASE | RARE 5% RENT INCREASES EVERY 5-YEARS

WALGREENS PHARMACY

WALKERTOWN, NC (WINSTON-SALEM MSA)

Marcus & Millichap
THE GLASS GROUP

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INVESTMENT OVERVIEW

WALGREENS PHARMACY

NEW 13-YEAR ABSOLUTE NNN LEASE | RARE 5% INCREASES EVERY 5-YEARS
WELL-ESTABLISHED LOCATION

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INVESTMENT OVERVIEW¹

NEW 13-YEAR ABSOLUTE NNN LEASE

The subject property operates under a newly-signed 13-year Absolute NNN Lease with no landlord management or maintenance responsibilities whatsoever.

RARE 5% RENT INCREASES EVERY 5-YEARS

The lease offers 5% rent increases every 5-years during the original term and the 12, five-year renewal options (if exercised) providing exceedingly more cash flow than a traditional flat Walgreens lease.

INVESTMENT GRADE TENANT²

The Lease is guaranteed by Walgreen Co., a subsidiary of Walgreens Boots Alliance, Inc. and rated Baa2/Stable by Moody's. Walgreens Boots Alliance, Inc., the Parent Company, carries an Investment Grade Credit Rating of BBB/Stable from S&P and Baa2/Stable from Moody's.

CRITICAL DRIVE-THROUGH LANE

According to the Wall Street Journal, more companies look for properties that will allow them to serve customers in their cars. Interest in drive-through real estate was growing even before Covid-19, but it exploded last year when total sales volume for restaurants, pharmacy and bank properties hit a record \$12 billion, according to data firm CoStar Group Inc. Finding drive-through real estate can be challenging, especially in densely built areas, because the properties need to have enough space to accommodate long lines of cars.

ESSENTIAL RETAILER OPERATING AND ASSISTING U.S. AUTHORITIES DURING THE COVID-19 PANDEMIC³

As a global, pharmacy-led health care company, Walgreens Boots Alliance has been working to ensure the safety and well-being of their colleagues, patients and customers during the pandemic of COVID-19. Their retail pharmacies have worked to provide up-to-date information and public health guidelines to customers, and their emergency response teams across the business are actively working to find ways play a greater role in what has become a global emergency – including working with the United States federal government to expand access to COVID-19 testing.

SIGNALIZED CORNER WITH EXCELLENT VISIBILITY AND ACCESS

The subject property is located on a highly visible corner location that is directly across the street from a Food Lion Grocery Store anchored retail center. National retailers in the surrounding area include Family Dollar, Hardee's, O'Reilly Auto Parts, Dollar General, The UPS Store, Goodwill, Bojangles, Mavis Tires & Brakes, Sheetz, Advance Auto Parts and many more. Walgreens is 8 miles from Downtown Winston-Salem.



(1) Rentable Area, Lot Size, Guarantor, Lease Terms, Building Specifications, Year Built, Demographics and S&P/Moody's Ratings are estimates. Buyer is responsible for verifying during the Due Diligence process.

(2) All financial data shown above is for Walgreens Boots Alliance, Inc., the Parent Company. The Tenant under the Lease, Walgreen Co., is a subsidiary of Walgreens Boots Alliance, Inc., the parent company. Walgreens Boots Alliance, Inc. does not guarantee the lease.

(3) Source: www.walgreensbootsalliance.com

OFFERING HIGHLIGHTS¹

WALGREENS

2912 MAIN STREET
WALKERTOWN, NC 27051

Net Operating Income	\$246,330
Lease Type	Absolute NNN
Lease Term	13 Years
Lease Commencement	4/27/2022
Lease Expiration Date	4/30/2035
Year Built	2009 ¹
Rentable Area	14,424 SF ¹
Lot Size	1.92 Acres ¹
Primary Term Escalations	5% Every Five-Years
Options	(12) Five-Year Options
Tenant / Guarantor	Walgreens Co.
Right of First Refusal	Yes, Twenty (20) Days

POTENTIAL FINANCING OPTIONS²

For questions on financing and latest terms, please contact:

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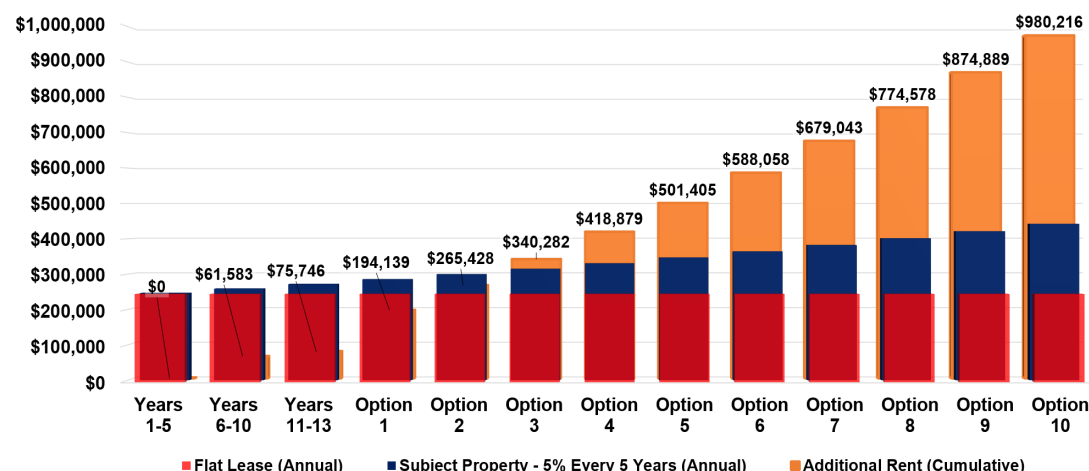
OFFERING PRICE

\$5,078,969

CAP RATE

4.85%

ADDITIONAL RENT COMPARISON SUBJECT PROPERTY VS. HISTORICAL FLAT LEASE³ CUMULATIVE ADDITIONAL RENT OVER COMPARABLE LEASE AND OPTION PERIODS



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(2) Financing options shown are subject to market changes. See agent for details.

(3) For demonstration purposes only. This graph is not a guarantee of Subject Property's performance, additional rents, and/or Walgreens exercising any option(s) under the lease.

TENANT OVERVIEW

WALGREENS PHARMACY

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TENANT OVERVIEW¹



WALGREENS BOOTS ALLIANCE, INC.¹

Walgreens is part of the Retail Pharmacy USA Division of Walgreens Boots Alliance, Inc. (NASDAQ: WBA), the first global, pharmacy-led health and wellbeing enterprise. As the largest retail pharmacy, health and daily living destination across the United States and Europe, Walgreens Boots Alliance has a presence in more than 9 countries and employs more than 315,000 people. The Company has over 13,000 stores within the U.S., Europe, and Latin America as well as one of the largest global pharmaceutical wholesale and distribution networks, with over 425 distribution centers delivering to more than 250,000 pharmacies, doctors, health centers and hospitals each year in more than 20 countries. Operations are organized into three divisions: Retail Pharmacy USA, Retail Pharmacy International and Pharmaceutical Wholesale. By its sheer size, scale and expertise, Walgreens Boots Alliance is well-positioned to help expand the supply of, and address the rising cost of, prescription drugs in the U.S. and worldwide. They have more than 100 years of trusted health care heritage and innovation in community pharmacy and pharmaceutical wholesaling. Their purpose is to help people across the world lead healthier and happier lives.

The Retail Pharmacy USA division has pharmacy-led health and beauty retail offerings in 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. The Company operated 8,965 retail stores in the division as of August 31, 2021. The principal retail pharmacy brands in the division are Walgreens and Duane Reade. The Company is a market leader in the United States and, as of August 31, 2021, approximately 78% of the population of the United States lived within five miles of a Walgreens, Duane Reade or acquired Rite Aid retail pharmacy. The Company is focused on creating a neighborhood health destination and a more modern pharmacy aligned to a wider range of healthcare services. The Company utilizes its retail network as a channel to provide health and wellness services to its customers and patients, as illustrated by the Company's ability to play a significant role in providing flu vaccines and other immunizations. Additionally, through their strategic partnership strategy, their key collaborations aim to develop new health care delivery models and to improve access to advanced healthcare technologies and solutions. They've taken further steps to develop our neighborhood health destinations, working with their strategic partners. The Company has more than 85,000 healthcare service providers, including pharmacists, pharmacy technicians, nurse practitioners and other health related professionals.

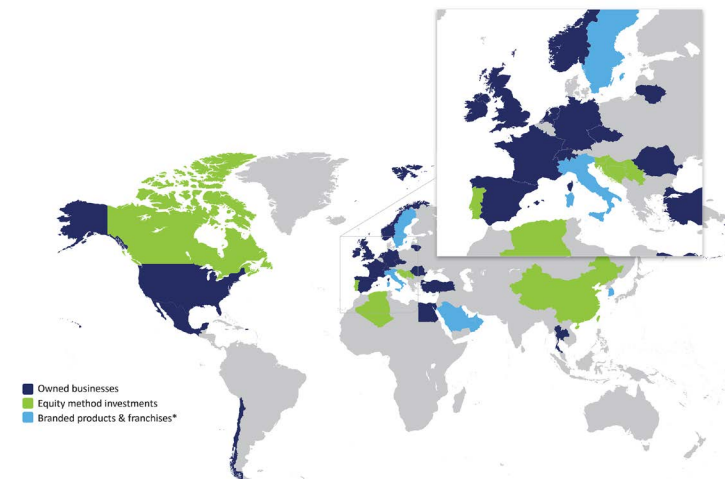
COMPANY HIGHLIGHTS¹

- ▣ \$132.5 BILLION IN REVENUE / \$23.8 BILLION NET WORTH (FY 2021)
- ▣ INVESTMENT GRADE TENANT / WALGREENS CO. - RECENTLY AFFIRMED (2021) MOODY'S RATED BAA2 / OUTLOOK STABLE
- ▣ 8,965 RETAIL PHARMACY STORES WITH PLANS FOR 1,000 IN-STORE CLINIC LOCATIONS ACROSS 50 STATES, THE DISTRICT OF COLUMBIA, PUERTO RICO & THE U.S. VIRGIN ISLANDS BY 2027
- ▣ 75% OF RETAIL PHARMACY USA DIVISION SALES ARE PHARMACY, WITH THE REMAINING 25% FROM RETAIL SALES
- ▣ 827.5 MILLION PRESCRIPTIONS, INCLUDING IMMUNIZATIONS, WERE FILLED IN FY 2021
- ▣ 78% OF THE POPULATION IN THE UNITED STATES LIVES WITHIN 5 MILES OF A WALGREENS, DUANE READE, OR ACQUIRED RITE AID PHARMACY

FINANCIAL HIGHLIGHTS¹



A GLOBAL PRESENCE¹



*Countries where the Company's products are available for purchase or there are Company franchises (other than those countries where there are owned businesses, equity method investments or joint ventures)

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LOCATION OVERVIEW

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LOCATION OVERVIEW¹



**SIGNALIZED
CORNER LOCATION
WITH EXCELLENT
VISIBILITY AND ACCESS**

**13 FORTUNE
500 COMPANY HQ'S
ARE IN THE AREA
AND GENERATE \$113
BILLION ANNUALLY**

**190,000+ TOTAL
LABOR FORCE IN
WINSTON-SALEM**

**WINSTON-SALEM IS
HOME TO "INNOVATION
QUARTER" WHICH IS THE
LARGEST URBAN
DISTRICT AT MORE THAN
1.9 MILLION SQ FT**

WALKERTOWN IS A GROWING SUBURB OF WINSTON-SALEM MSA

Walkertown is located within the Winston-Salem MSA. More than 2,000 new residents moved to the area this past year. Employment opportunities have grown 21% in the last 5 years with major companies, such as Reynolds American, Hanesbrands, Inmar and Garner Foods, and Krispy Kreme, having their headquarters located in the area.

WINSTON-SALEM RANKS HIGH IN ENTREPRENEURSHIP

The Walkertown area and Winston-Salem MSA have helped local startups achieve success and raise over \$50M in capital. The metropolitan region consistently ranks high as the 'best city for small business growth' and recognized as the 'best city for first time home buyers' with the most affordable downtown in the United States.



AERIAL OVERVIEW



AERIAL OVERVIEW



AERIAL OVERVIEW



Residential
Neighborhoods

Gardens of Memory
Memorial Park

WESTERN UNION
MOTORCYCLES HARLEY-DAVIDSON
Valvoline
U-HAUL

**Walkertown
Fire Station**

**WEBSTER BROTHERS
HARDWARE**

Walgreens

**HANSEN
& ADKINS
AUTO TRANSPORT**

O'Reilly AUTO PARTS
Hardee's
FOOD LION
First National Bank
ROSES
FAMILY DOLLAR

Walkertown
Little League

Walkertown
Elementary,
Middle &
Highschool

Residential
Neighborhoods

CVS/pharmacy
goodwill
MAVIS DISCOUNT TIRE
TACO BELL
PIZZA HUT
Wendy's
Waffle House
LOWE'S

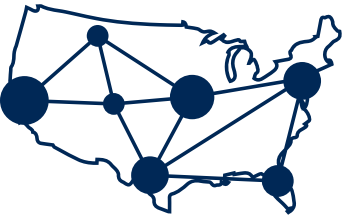
Residential
Neighborhoods

158

311

158

DEMOGRAPHICS¹



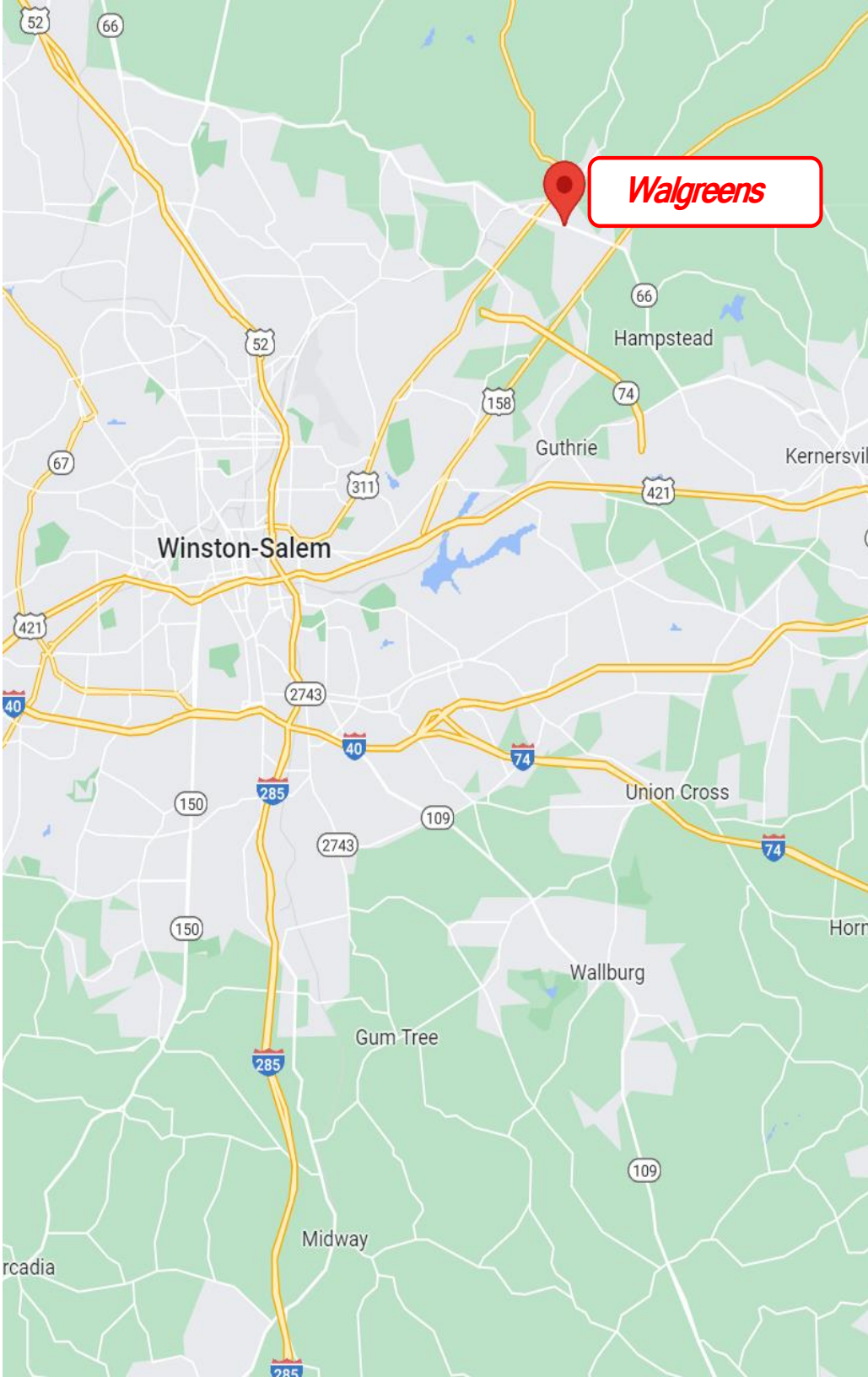
HOUSEHOLD INCOME

YEAR 2021	1 MILE	3 MILES	5 MILES
AVERAGE	\$65,336	\$66,973	\$73,469
MEDIAN	\$57,979	\$53,745	\$54,352

POPULATION

YEAR	1 MILE	3 MILES	5 MILES
2026 Projection Total Population	2,254	16,745	52,931
2021 Census Total Population	2,160	16,208	51,344
2010 Census Total Population	1,971	14,962	47,515

Sources: Marcus & Millichap Research Services, CoStar





WALGREENS PHARMACY

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